(c) The details of seizures wherein Indian Currency was being smuggled out of India during the last three years are as under:—

Period	Details of seizure	Value of seizure (Rs. in lakhs)
2003-04	Indian currency seized alongwith Foreign currency at Dabolim Airport, Goa from passenger who was destined for Sharjah	0.40
2004-05	Nil	Nil
2005-06 (till date)	1. Indian currency seized from a baggage at CSI Airport, Sahar on 18-11-05 from a flight destined for Dubai. No passenger was apprehended but a Gulf Airlines employee was arrested for her complicity in dispatching the baggage.	69.95
	2. Indian currency seized from a baggage at CSI Airport, Sahar on 6-12-05 destined for Muscat. The Passenger did not board the flight and could not be apprehended.	106.00

Banking operations by foreign companies

2273. SHRI JANARDHANA POOJARY: Will the Minister of FINANCE be pleased to state:

(a) whether overseas financial companies are evincing interest in setting up banking operations in the country;

(b) if so, the details of such proposals received and approved so far;

(c) the details of FDI limit and other terms and conditions, including priority lending norms, that the promoters are required to adhere to before and after being permitted to establish banking operations in the country;

(d) whether it is a fact that sector specific priority lending norm and double taxation are some of the issues inhibiting banking operation by foreign entities in the country; and

(e) if so, the details thereof and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Reserve Bank of India has given approval to Commonwealth Bank of Australia, Monte Dei Paschi Di

Siena, Italy, Zurcher Kantonalbank, Switzerland and Banche Popolari United S.c.r.l., Italy for their maiden presence by opening a Representative Office in India, during the last one year.

Besides, applications have also been received from UBS AG, Switzerland, United Overseas Bank Ltd., Singapore, Banca Popolare di Vicenza, Italy, Landesbank Hessen-Thuringen Girozentrale Germany and Svenska Handelsbanken AB, Sweden for maiden presence/ upgradation in India.

(c) Any foreign bank desirous of having presence in India needs to fulfill, *inter-alia*, the following terms and conditions:

- Obtaining licence under section 22 of Banking Regulation Act, 1949 and for branch expansion needs licence under Section 23 of the said Act.
- Lending to priority sector by the foreign banks shall be 32 % of their Net Bank Credit (NBC). Within this overall target of 32%, the advances to small scale industries sector should not be less than 10% of their NBC and the export credit should not be less than 12% of the NBC.
- To comply with the directives and other guidelines on maintenance of CRR/SLR, Capital adequacy, prudential norms on income recognition, asset classification, provisioning for bad and doubtful debts, transparency in Balance Sheet, acquisition of immovable properties in India, engagement of ex-patriates and deployment of foreign funds in Indian business etc.

(d) and (e) The large number of proposals from foreign entities evincing interest do not indicate that there are any issues inhibiting banking operation in India by foreign entities.

Indirect Tax Rate

2274. SHRI TARIQ ANWAR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the country has the highest indirect tax rate;

(b) if so, the details thereof, sector-wise; and

(c) whether Government propose to launch schemes for poor people by which they have to pay less indirect taxes?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Indirect tax rates of other